



Bassett Creek Watershed Management Commission

MEMO

To: BCWMC Commissioners
From: Laura Jester, Administrator
Date: April 10, 2018

RE: Item 5G. BWSR's Watershed-Based Funding Pilot Program

RECOMMENDATIONS:

1. Appoint BCWMC Administrator as the Commission's voting representative and the Commission Engineer as the alternate voting representative for the May 16th official "convene meeting" on the watershed-based funding pilot program in Hennepin County.
2. Direct voting representative to advocate for the implementation of Collaboration Option 3 (see page 2).

BACKGROUND:

At the January Commission meeting you received [information](#) on a new policy approved by the Board of Water and Soil Resources (BWSR) related to the distribution of Clean Water Funds. At that meeting you directed me to attend meetings of the Hennepin County watershed management organizations to discuss the new program and options for disseminating or competing for the \$1M available for "eligible entities" in Hennepin County.

Since January, Hennepin County staff facilitated 3 meetings of the 11 watershed organizations. I attended the first two meetings and Commission Engineer Chandler attended the third meeting on March 30th as I was out of town. After much discussion and input from BWSR staff, this group decided to pursue a collaborative approach to disseminating the funds rather than competing among ourselves or other metro watersheds and cities for the funds.

This larger group also agreed to divide into smaller basin groups to discuss options for funding projects based on watershed basins. I participated in a meeting of the 7 watershed organizations in the Mississippi River Basin where we discussed projects in our respective jurisdictions that could use the funding in this biennium and how we would collectively prioritize projects for funding. For this biennium, the Mississippi River Basin would expect to receive between \$600,000 and \$700,000 for projects. We developed a list of criteria that would help prioritize one project over another (including project readiness, opportunity, resource impact, and goals addressed) and populated a table with two projects per watershed. I included the Bryn Mawr Meadows Water Quality Improvement Project and the Westwood Lake Water Quality Improvement Project in the table. We plan to meet again on April 25th to further discuss and prioritize our projects.

On May 16th, Hennepin County staff will facilitate an official “convene meeting” to gather all eligible entities (watershed organizations and cities) to discuss and collectively decide on one mechanism to disseminate the funds for this biennium. The 11 watershed organizations will present three options for disseminating funds:

- Collaboration Option 1: Use a formula based on area and property tax base to disseminate funds by watershed organization (approximately \$76,000 for BCWMC)
- Collaboration Option 2: Take a modest amount of funding (a figure of \$100,000 has been discussed) off the top of the \$1M to address chloride pollution on a countywide basis and distribute the remainder of funds via the formula in Option 1. (approximately \$70,000 BCWMC projects)
- Collaboration Option 3: Take a modest amount of funding off the top of the \$1M (a figure of \$100,000 has been discussed) to address chloride pollution on a countywide basis and distribute the remainder of funds to major river basins to use on their priority programs/projects. (approximately \$530,000 - \$630,000 for projects in the Mississippi River Basin watersheds)

Collectively, there is consensus among the 11 watershed organizations that Collaboration Option 3 is the preferred option, particularly if the watershed-based funding mechanism continues to be used by BWSR in the future. This option allows for more local control of spending and project prioritization in each basin. Although not all projects in the basin would receive funds in this biennium, it's expected the funding would “rotate” among the watersheds in the basin similar to how the Commission implements CIP projects in different cities in different years. This mechanism also provides a greater amount of funding per project as opposed to less than \$100,000 per watershed as in options 1 and 2. This low funding amount likely wouldn't be worth the time it takes to administer the funding and perform the required reporting.

As a reminder, the steps laid out by BWSR for counties to develop a collaborative plan include:

1. Convene initial meeting. (So far, we've been holding “pre-initial convene” meetings. The meeting on May 16th will be the official initial convene meeting.)
2. Each local government within the county area identifies a voting representative (and alternate) to attend meetings.
3. Inform BWSR who is serving as the convening organization and the decision-making process that will be used.
4. Describe the process used to select projects and programs for the “Collaborative PTM Implementation Plan” and how success will be evaluated.
5. Identify projects and programs in an eLINK budget request and work plan.

I recommend the Commission appoint me as the Commission's voting representative and the Commission Engineer as the alternate voting representative for the May 16th official “convene meeting” and direct the voting representative to advocate for the implementation of Collaboration Option 3.